UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K/A
(Amendment No. 1)

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): August 1, 2017

CloudCommerce, Inc.
(Exact name of registrant as specified in its charter)

Nevada
(State or other jurisdiction of incorporation)

0-13215	**30-0050402**
(Commission File Number)	(I.R.S. Employer Identification No.)

321 Sixth Street, San Antonio, TX	**78215**
(Address of principal executive offices)	(Zip Code)

(805) 964-3313
(Registrant's telephone number, including area code)

(Former name, former address and former fiscal year, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions.

[_] Written communications pursuant to Rule 425 under the Securities Act (17 CFR240.14d-2(b))
[_] Soliciting material pursuant to Rule 14a-12 under Exchange Act (17 CFR240.14a-12)
[_] Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR240.14d-2(b))
[_] Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Explanatory Note

This Amendment No. 1 on Form 8-K/A ("Form 8-K/A") amends the Current Report on Form 8-K filed by CloudCommerce with the Securities and Exchange Commission ("SEC") on August 2, 2017 ("Original Form 8-K").

SECTION 9.01. FINANCIAL STATEMENTS, PRO FORMA FINANCIALS & EXHIBITS

(a) Financial Statement of Businesses Acquired.

On August 1, 2017, CloudCommerce, Inc., a Nevada corporation (the "**Company**"), entered into an Agreement and Plan of Merger (the "**Plan of Merger**") with Parscale Creative, Inc., a Nevada corporation ("**Parscale**"), Bradley Parscale (the "**Parscale Shareholder**"), and Parscale Digital, Inc., a newly formed Nevada corporation and wholly owned subsidiary of the Company ("**Merger Sub**") pursuant to which Parscale merged with and into Merger Sub (the "**Merger**"). Pursuant to the terms of the Plan of Merger, the Parscale Shareholder received ninety thousand (90,000) shares (the "**Stock Consideration**") of the Company's newly designated Series D Convertible Preferred Stock (the "**Series D Preferred Stock**"), with a stated value of $100 per share, in exchange for the cancellation of his stockholding in Parscale. The Articles of Merger were filed with the Secretary of State of the State of Nevada on August 1, 2017 (the "**Effective Time**") and at that time, the separate legal existence of Parscale ceased, and Merger Sub became the surviving company in the Merger and shall continue its corporate existence under the laws of the State of Nevada under the name "Parscale Digital, Inc."

At the Effective Time of the Merger, automatically by virtue of the Merger, each share of Parscale that was issued and outstanding immediately prior to the Effective Time was converted, on a prorata basis, into validly issued, fully paid and nonassessable shares of Series D Preferred Stock representing their pro rata interest in Parscale and the Stock Consideration.

On August 2, 2017, the Company filed a Current Report on Form 8-K disclosing the entering into the Merger Agreement and closing the Merger.

This Report amends the Report filed by the Company on August 2, 2017 to include audited abbreviated statements of assets acquired and liabilities assumed and of revenues and direct expenses for the acquisition of Parscale.

The description of the Agreement found in this Form 8-K/A is not intended to be complete and is qualified in its entirety by reference to the Agreement incorporated herein by reference.

(b) Pro Forma Financial Information.

Please see attached Exhibits 99.2, 99.3, and 99.4.

(d) Exhibits

2.1 Agreement and Plan of Merger, dated as of August 1, 2017, by and among CloudCommerce, Inc., Parscale Creative, Inc., Bradley Parscale and Parscale Digital, Inc. (Previously filed)

2.2	Purchase Agreement, dated August 1, 2017, by and among CloudCommerce, Inc., Parscale Media, LLC, and Bradley Parscale (Previously filed)
3.1	Certificate of Designation of Series D Preferred Stock (Previously filed)
3.2	Certificate of Designation of Series C Preferred Stock (Previously filed)
10.1	Exchange Agreement, dated July 31, 2017, by and between CloudCommerce, Inc., and Bountiful Capital, LLC (Previously filed)
10.2	Management Services Agreement, dated August 1, 2017, by and between CloudCommerce, Inc., and Parscale Creative, Inc. (Previously filed)
10.3	Management Services Agreement, dated August 1, 2017, by and between CloudCommerce, Inc., and Parscale Media, LLC (Previously filed)
10.4	Advisory Agreement, dated August 1, 2017, with Jill Giles (Previously filed)
99.1	Press Release issued August 1, 2017 (Incorporated by reference to Exhibit 99.1 to the registrant's Current Report on Form 8-K, filed on August 2, 2017)
99.2	Audited abbreviated statements of assets acquired and liabilities assumed and of revenues and direct expenses for Parscale Creative, as of and for the years ended December 31, 2016 and December 31, 2015.
99.3	Unaudited abbreviated statements of assets acquired and liabilities assumed and of revenues and direct expenses for Parscale Creative, as of and for the six months ended June 30, 2017 and June 30, 2016.
99.4	Unaudited pro forma condensed financial statement information of the Company, as of and for the years ended June 30, 2017 and June 30, 2016.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: January 7, 2019

/s/_Andrew Van Noy_________________
Andrew Van Noy, Chief Executive Officer
and President

EXHIBIT 99.2

Parscale Creative, Inc.

Abbreviated Financial Statements

For the years ended December 31, 2016 and 2015

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Management of
Parscale Creative, Inc.

We have audited the accompanying abbreviated financial statements of Parscale Creative, Inc. (“Parscale”), which comprise the abbreviated statement of assets acquired and liabilities assumed as of December 31, 2016 and 2015, and the related abbreviated statement of revenues and direct expenses for the years then ended.

Management’s Responsibility for the Abbreviated Financial Statements

Management is responsible for the preparation and fair presentation of the abbreviated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the abbreviated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors’ Responsibility

Our responsibility is to express an opinion on the abbreviated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the abbreviated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the abbreviated financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the abbreviated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the Company's preparation and fair presentation of the abbreviated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the abbreviated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the abbreviated financial statements referred to above present fairly, in all material respects, the assets acquired and liabilities assumed of Parscale Creative, Inc as of December 31, 2016, and 2015, and its revenues and direct expenses for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

The accompanying abbreviated financial statements were prepared in connection with the Company’s transactions related to the Parscale Creative, Inc and, as described in Note 1, were prepared in accordance with an SEC waiver received by the buyer, for the purposes of the buyer complying with Rule 3-05 of the Securities and Exchange Commission’s Regulation SX. These abbreviated financial statements are not intended to be a complete presentation of the financial position or results of operations of the Parcale Creative, Inc. Our opinion is not modified with respect to this matter.

/s/ M&K CPAS, PLLC

We have served as the Company’s auditor since 2018.

Houston, TX
January 7, 2019

Parscale Creative, Inc.
Abbreviated Statements of Assets Acquired and Liabilities Assumed

	December 31, 2016	December 31, 2015
Assets		
Cash	$ 200,000	$ 16,677
Total assets acquired	200,000	16,677
Liabilities		
Customer Deposits	689,562	909,934
Deferred Revenue	88,824	133,235
Total liabilities assumed	778,386	1,043,169
Net liabilities assumed	$ 578,386	$ 1,026,492

Parscale Creative, Inc.
Abbreviated Statements of Revenues and Direct Expenses

	For the twelve months ended December 31, 2016	For the twelve months ended December 31, 2015
Revenues	$ 4,567,775	$ 3,502,447
Direct expenses:		
Project costs	2,261,952	1,213,071
Operating expenses	3,255,408	2,133,033
Total direct expenses	5,517,360	3,346,104
Revenues in excess of direct expenses / (Direct expenses in excess of revenues)	$ (949,585)	$ 156,343

1. BACKGROUND

Organization
Parscale Creative, Inc. (the "Company", "we", "our"), a Nevada corporation, was established on July 28, 2017. Prior to July 28, 2017, the clients of the Company were supported through Giles-Parscale, LLC, a Texas limited liability company ("Giles-Parscale"), mutually owned by Brad Parscale and Jill Giles.

Line of Business
The Company is a provider of digital advertising, website development, creative services and account management to small and medium size companies, primarily located in the San Antonio, TX area.

Agreement and Plan of Merger
On August 1, 2017, CloudCommerce, Inc., a Nevada corporation ("**CloudCommerce**"), entered into an Agreement and Plan of Merger (the '**Plan of Merger**") with Parscale Creative, Inc., a Nevada corporation ("**Parscale**"), Bradley Parscale (the '**Parscale Shareholder**"), and Parscale Digital, Inc., a newly formed Nevada corporation and wholly owned subsidiary of the CloudCommerce ("**Merger Sub**") pursuant to which Parscale merged with and into Merger Sub (the '**Merger**"). Pursuant to the terms of the Plan of Merger, the Parscale Shareholder received ninety thousand (90,000) shares (the "**Stock Consideration**") of the CloudCommerce's newly designated Series D Convertible Preferred Stock (the "**Series D Preferred Stock**"), with a stated value of $100 per share, in exchange for the cancellation of his stockholding in Parscale. The Articles of Merger were filed with the Secretary of State of the State of Nevada on August 1, 2017 (the "**Effective Time**") and at that time, the separate legal existence of Parscale ceased, and Merger Sub became the surviving company in the Merger and shall continue its corporate existence under the laws of the State of Nevada under the name "Parscale Digital, Inc."

At the Effective Time of the Merger, automatically by virtue of the Merger, each share of Parscale that was issued and outstanding immediately prior to the Effective Time was converted, on a prorata basis, into validly issued, fully paid and nonassessable shares of Series D Preferred Stock representing their pro rata interest in Parscale and the Stock Consideration.

2. BASIS OF PRESENTATION

The accompanying abbreviated financial statement of Parscale Creative, Inc. include statements of assets acquired and liabilities assumed, as well as statements of revenue and direct expenses are based upon the Agreement and relief from SEC Rule 3-05, Significant Acquisition Carveout Financial Statement Reporting Requirement and have been prepared in accordance with a pre-clearance letter obtained by CloudCommerce from the Securities and Exchange Commission. The statement of assets acquired and liabilities assumed only presents the assets acquired and liabilities assumed in accordance with the agreement. Prior to the date of the Effective Time of the acquisition, the assets and liabilities of the Company were assets of a larger entity (Giles-Parscale), which split into three segments. Pursuant to the Plan of Merger, the CloudCommerce acquired 100% of the assets and liabilities in one of the segments, which included a small amount of cash, deferred revenue and customer deposits, and revenue and expenses related to certain client contracts. These abbreviated financial statements, as of and for the years ended December 31, 2016 and 2015, are not intended to present a complete view of Parscale Creative, prior to the acquisition, including balance sheets, income statements, statements of cash flows, and statements of stockholders' equity, in conformity with generally accepted accounting principles. In addition, the financial statements do not necessarily represent the assets, liabilities, revenue and expenses of the Company had it been operated as a separate independent business, and therefore may not be indicative of the financial position and financial performance that would have been achieved if operated as an independent entity or of future result of the Company.

The Financial Statements were derived from the historical accounting records of Giles-Parscale and were prepared in accordance with the basis of accounting described in these Notes, which is in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). It is impracticable to prepare complete financial statements related to Parscale Creative as Giles-Parscale never accounted for Parscale Creative on a stand-alone basis or as a separate division or subsidiary. Giles-Parscale never prepared full standalone or full carve-out financial statements for Parscale Creative and has never maintained the distinct and separate books and records necessary to prepare full stand-alone financial statements.

The operations of Parscale Creative rely, to varying degrees, on Giles-Parscale for marketing, sales order processing, billing, collection, customer service, information technology, insurance, human resources, accounting, regulatory, treasury, and legal support, and such expenses have been allocated to Parscale Creative in these financial statements. These Financial Statements may not be indicative of the financial condition or results of operations of Parscale Creative on a stand-alone basis, because of the reliance of Parscale Creative
on Giles-Parscale.

The statement of revenues and direct expenses does not include a provision for income taxes as Parscale Creative never functioned on a stand-alone basis; accordingly, no allocation of income taxes has been made to Parscale Creative.

During the fiscal years ended December 31, 2016 and 2015, Parscale Creative did not have any stand-alone financing requirements, and any cash generated was swept to Giles-Parscale. As Parscale Creative has historically been managed as part of the operations of Giles-Parscale and has not been operated on a stand-alone basis, it is not practical to prepare historical cash flow information regarding Parscale Creative's operating, investing, and financing cash flows. As such, a statement of cash flows was not prepared.

3. CERTAIN EXPENSES AND ALLOCATION

Cost of sales primarily includes all costs incurred by the Company solely dedicated to the services of Parscale Creative. Selling, marketing, general and administrative costs include certain advertising costs, shipping and handling costs, and allocated expenses primarily related to cost of labor, costs of outside services and various other costs. Costs associated with advertising, selling, and marketing, general and administrative are expensed in the year incurred. Certain costs and expenses have been allocated by Giles-Parscale on a specific identification basis.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates
The preparation of these Financial Statements in conformity with accounting principles generally accepted in U.S. GAAP requires management to make certain estimates and assumptions that affect the amounts reported. The estimates and associated assumptions are based on historical experience, complex judgments and various other factors that are believed to be reasonable under the circumstances but are inherently uncertain. The estimation process required to prepare the Financial Statements, including but not limited to, allocations of costs and expenses from the Parent, and accounting for deductions from revenue (e.g., rebates, sales discounts, allowances and incentives). Actual results may or may not differ from these estimates. Also, as discussed in note 3, these Financial Statements include allocations and estimates that are not necessarily indicative of the amounts that would have resulted if Parscale had been operated on a stand-alone basis.

Cash and Cash Equivalents
The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Revenue recognition
The Company recognizes income when the service is provided or when product is delivered. We present revenue, net of customer incentives. Most of the income is generated from digital advertising, website development, creative services and account management fees.

We provide online marketing services that we purchase from third parties. The gross revenue presented in the statement of revenues and direct expenses is in accordance with ASC 605-45.

We fulfill projects involving multiple deliverables, which may constitute a separate unit of accounting in accordance with ASC 605-25, which are recognized as the work is performed.

Upfront fees for our services are deferred until certain implementation or contractual milestones have been achieved. The deferred revenue as of December 31, 2016 and 2015 was $88,824 and $133,235, respectively.

Return policy
On all service offerings there are no returns.

Direct Expenses
Refer to footnote 3 for a description of other costs and expenses and related accounting policies.

Research and Development
Research and development costs are expensed as incurred. Total research and development costs were $0 for the years ended December 31, 2016 and 2015.

Advertising Costs
The Company expenses the cost of advertising and promotional materials when incurred. Total advertising costs were $2,901 and $409 for the years ended December 31, 2016 and 2015, respectively.

Fair value of financial instruments
The Company's financial instruments, including cash and cash equivalents and accrued liabilities are carried at cost, which approximates their fair value, due to the relatively short maturity of these instruments.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820 established a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices for identical instruments in active markets;
- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

Concentrations of Business and Credit Risk
The Company operates in a single industry segment. The Company markets its services to companies and individuals in many industries and geographic locations. The Company's operations are subject to rapid technological advancement and intense competition in the digital advertising and website development industry. The Company typically offers its customers credit terms. The Company makes periodic evaluations of the credit worthiness of its enterprise customers and other than obtaining deposits pursuant to its policies, it generally does not require collateral. In the event of nonpayment, the Company has the ability to terminate services.

Customer Deposits and Deferred Revenue
Prior to beginning a project, it is customary for the Company to collect a deposit from the client. These deposits are recorded in a liability account until work is performed on the project and an invoice is generated. The deposit reduces the amount invoiced to the client, until the entire deposit is extinguished. After the client deposit is extinguished, the Company invoices the client for all additional work, and collects payments based on our accounts receivable policies.

Recent Accounting Pronouncements

Management reviewed accounting pronouncements issued during the years ended December 31, 2016 and 2015, and no pronouncements were adopted.

Management reviewed the following accounting pronouncement related to a future period:

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"). The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled for those goods or services. The standard is effective for annual periods beginning after December 15, 2017, and interim periods therein. The Company follows paragraph 606 of the FASB Accounting Standards Codification for revenue recognition and ASU 2014-09, adopting the pronouncements on January 1, 2018. The company considers revenue realized or realizable and earned when services are performed to such a degree that the performed service is delivered or deliverable to the client, or when a tangible item, such as interior décor or signage, is delivered to the client. Since the Company was already recognizing revenue in a manner consistent with paragraph 606 of the FASB Accounting Standards Codification, there was no material impact on prior year results.

ASU 2014-09 supersedes existing guidance on revenue recognition with a five-step model for recognizing and measuring revenue from contracts with customers. The objective of the new standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance also requires a number of disclosures regarding the nature, amount, timing, and uncertainty of revenue and the related cash flows. The guidance can be applied retrospectively to each prior reporting period presented (full retrospective method) or retrospectively with a cumulative effect adjustment to retained earnings for initial application of the guidance at the date of initial adoption (modified retrospective method). The Company adopted the new standard effective January 1, 2018 using the modified retrospective method applied to those contracts that were not completed or substantially completed as of January 1, 2018. The timing and measurement of revenue recognition under the new standard is not materially different than under the old standard. The adoption of the new standard did not have an impact on the Company's Condensed Consolidated Financial Statements.

In January 2017, the FASB issued 2017-04, *Intangibles - Goodwill and Other* (Topic 350): Simplifying the Test for Goodwill Impairment. The amendments in this ASU simplify the subsequent measurement of goodwill by eliminating Step 2 from the goodwill impairment test and eliminating the requirement for a reporting unit with a zero or negative carrying amount to perform a qualitative assessment. Instead, under this pronouncement, an entity would perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and would recognize an impairment change for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized is not to exceed the total amount of goodwill allocated to that reporting unit. In addition, income tax effects will be considered, if applicable. This ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its Condensed Consolidated Financial Statements and related disclosures.

In February 2016, the FASB issued ASU No. 2016-02, Leases ("ASU 2016-02"). Under ASU 2016-02, lessees will need to recognize a right-of-use asset and a lease liability for all of their leases, other than those that meet the definition of a short-termlease. For income statement purposes, leases must be classified as either operating or finance. Operating leases will result in straight-line expense, similar to current operatingleases, while finance leases will result in a front-loaded pattern, similar to current capital leases. ASU 2016-02 becomes effective for the fiscal year ended December 31, 2018. We are currently evaluating the impact it will have on our Consolidated Financial Statements.

5. RELATED PARTIES

The Company had no related party transactions.

6. CONCENTRATIONS

For the years ended December 31, 2016 and 2015, the Company had two and two major clients who represented approximately 24% and 27% of total revenues, respectively.

7. COMMITMENTS AND CONTINGENCIES

Operating Leases
At the time of the acquisition, the Company was not bound by any operating leases.

Legal Matters
The Company may be involved in legal actions and claims arising in the ordinary course of business, from time to time, none of which at the time are considered to be material to the Company's business or financial condition.

8. SUBSEQUENT EVENTS

Management has evaluated subsequent events according to ASC TOPIC 855 as of the date of the financial statements and has determined that no subsequent event is reportable.

EXHIBIT 99.3

Parscale Creative, Inc.

Abbreviated Financial Statements

For the six months ended June 30, 2017 and June 30, 2016

Parscale Creative, Inc.
Abbreviated Statements of Assets Acquired and Liabilities Assumed
(unaudited)

	June 30, 2017	June 30, 2016
Assets		
Cash	$ 200,000	$ 200,000
Total assets acquired	200,000	200,000
Liabilities		
Customer Deposits	684,928	939,657
Deferred Revenue	44,413	88,824
Total liabilities assumed	729,341	1,028,481
Net liabilities assumed	$ 529,341	$ 828,481

Parscale Creative, Inc.
Abbreviated Statements of Revenues and Direct Expenses
(unaudited)

	For the six months ended	
	June 30, 2017	June 30, 2016
Revenues	$ 2,477,475	$ 1,868,462
Direct expenses:		
Project costs	826,855	977,842
Operating expenses	1,874,771	1,399,710
Total direct expenses	2,701,626	2,377,552
Revenues in excess of direct expenses / (Direct expenses in excess of revenues)	$ (224,151)	$ 509,090

1. BACKGROUND

Organization
Parscale Creative, Inc. (the "Company", "we", "our") is a Nevada corporation, which was established on July 28, 2017. Prior to July 28, 2017, the clients of the Company were supported through Giles-Parscale, LLC, a Texas limited liability company ("Giles-Parscale"), mutually owned by Brad Parscale and Jill Giles.

Line of Business
The Company is a provider of digital advertising, website development, creative services and account management to small and medium size companies, primarily located in the San Antonio, TX area.

Agreement and Plan of Merger
On August 1, 2017, CloudCommerce, Inc., a Nevada corporation ("**CloudCommerce**"), entered into an Agreement and Plan of Merger (the "**Plan of Merger**") with Parscale Creative, Inc., a Nevada corporation ("**Parscale**"), Bradley Parscale (the "**Parscale Shareholder**"), and Parscale Digital, Inc., a newly formed Nevada corporation and wholly owned subsidiary of the CloudCommerce ("**Merger Sub**") pursuant to which Parscale merged with and into Merger Sub (the "**Merger**"). Pursuant to the terms of the Plan of Merger, the Parscale Shareholder received ninety thousand (90,000) shares (the "**Stock Consideration**") of the CloudCommerce's newly designated Series D Convertible Preferred Stock (the "**Series D Preferred Stock**"), with a stated value of $100 per share, in exchange for the cancellation of his stockholding in Parscale. The Articles of Merger were filed with the Secretary of State of the State of Nevada on August 1, 2017 (the "**Effective Time**") and at that time, the separate legal existence of Parscale ceased, and Merger Sub became the surviving company in the Merger and shall continue its corporate existence under the laws of the State of Nevada under the name "Parscale Digital, Inc."

At the Effective Time of the Merger, automatically by virtue of the Merger, each share of Parscale that was issued and outstanding immediately prior to the Effective Time was converted, on a prorata basis, into validly issued, fully paid and nonassessable shares of Series D Preferred Stock representing their pro rata interest in Parscale and the Stock Consideration.

2. BASIS OF PRESENTATION

The accompanying abbreviated financial statement of Parscale Creative, Inc. include statements of assets acquired and liabilities assumed, as well as statements of revenue and direct expenses are based upon the Agreement and relief from SEC Rule 3-05, Significant Acquisition Carveout Financial Statement Reporting Requirement and have been prepared in accordance with a pre-clearance letter obtained by CloudCommerce from the Securities and Exchange Commission. The statement of assets acquired and liabilities assumed only presents the assets acquired and liabilities assumed in accordance with the agreement. Prior to the date of the Effective Time of the acquisition, the assets and liabilities of the Company were assets of a larger entity (Giles-Parscale), which split into three segments. Pursuant to the Plan of Merger, the CloudCommerce acquired 100% of the assets and liabilities in one of the segments, which included a small amount of cash, deferred revenue and customer deposits, and revenue and expenses related to certain client contracts. These abbreviated financial statements, as of and for the years ended December 31, 2016 and 2015, are not intended to present a complete view of Parscale Creative, prior to the acquisition, including balance sheets, income statements, statements of cash flows, and statements of stockholders' equity, in conformity with generally accepted accounting principles. In addition, the financial statements do not necessarily represent the assets, liabilities, revenue and expenses of the Company had it been operated as a separate independent business, and therefore may not be indicative of the financial position and financial performance that would have been achieved if operated as an independent entity or of future result of the Company.

The Financial Statements were derived from the historical accounting records of Giles-Parscale and were prepared in accordance with the basis of accounting described in these Notes, which is in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). It is impracticable to prepare complete financial statements related to Parscale Creative as Giles-Parscale never accounted for Parscale Creative on a stand-alone basis or as a separate division or subsidiary. Giles-Parscale never prepared full standalone or full carve-out financial statements for Parscale Creative and has never maintained the distinct and separate books and records necessary to prepare full stand-alone financial statements.

The operations of Parscale Creative rely, to varying degrees, on Giles-Parscale for marketing, sales order processing, billing, collection, customer service, information technology, insurance, human resources, accounting, regulatory, treasury, and legal support, and such expenses have been allocated to Parscale Creative in these financial statements. These Financial Statements may not be indicative of the financial condition or results of operations of Parscale Creative on a stand-alone basis, because of the reliance of Parscale Creative
on Giles-Parscale.

The statement of revenues and direct expenses does not include a provision for income taxes as Parscale Creative never functioned on a stand-alone basis; accordingly, no allocation of income taxes has been made to Parscale Creative.

During the fiscal years ended December 31, 2016 and 2015, Parscale Creative did not have any stand-alone financing requirements, and any cash generated was swept to Giles-Parscale. As Parscale Creative has historically been managed as part of the operations of Giles-Parscale and has not been operated on a stand-alone basis, it is not practical to prepare historical cash flow information regarding Parscale Creative's operating, investing, and financing cash flows. As such, a statement of cash flows was not prepared.

3. CERTAIN EXPENSES AND ALLOCATION

Cost of sales primarily includes all costs incurred by the Company solely dedicated to the services of Parscale Creative. Selling, marketing, general and administrative costs include certain advertising costs, shipping and handling costs, and allocated expenses primarily related to cost of labor, costs of outside services and various other costs. Costs associated with advertising, selling, and marketing, general and administrative are expensed in the year incurred. Certain costs and expenses have been allocated by Giles-Parscale on a specific identification basis.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Use of Estimates
The preparation of these Financial Statements in conformity with accounting principles generally accepted in U.S. GAAP requires management to make certain estimates and assumptions that affect the amounts reported. The estimates and associated assumptions are based on historical experience, complex judgments and various other factors that are believed to be reasonable under the circumstances but are inherently uncertain. The estimation process required to prepare the Financial Statements, including but not limited to, allocations of costs and expenses from the Parent, and accounting for deductions from revenue (e.g., rebates, sales discounts, allowances and incentives). Actual results may or may not differ from these estimates. Also, as discussed in note 3, these Financial Statements include allocations and estimates that are not necessarily indicative of the amounts that would have resulted if Parscale had been operated on a stand-alone basis.

Cash and Cash Equivalents
The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents.

Revenue recognition
The Company recognizes income when the service is provided or when product is delivered. We present revenue, net of customer incentives. Most of the income is generated from digital advertising, website development, creative services and account management fees.

We provide online marketing services that we purchase from third parties. The gross revenue presented in the statement of revenues and direct expenses is in accordance with ASC 605-45.

We fulfill projects involving multiple deliverables, which may constitute a separate unit of accounting in accordance with ASC 605-25, which are recognized as the work is performed.

Upfront fees for our services are deferred until certain implementation or contractual milestones have been achieved. The deferred revenue as of June 30, 2017 and 2016 was $44,413 and $88,824, respectively.

Return policy
On all service offerings there are no returns.

Direct Expenses
Refer to footnote 3 for a description of other costs and expenses and related accounting policies.

Research and Development
Research and development costs are expensed as incurred. Total research and development costs were $0 for the six months ended June 30, 2017 and 2016.

Advertising Costs
The Company expenses the cost of advertising and promotional materials when incurred. Total advertising costs were $0 and $2,901 for the six months ended June 30, 2017 and 2016, respectively.

Fair value of financial instruments
The Company's financial instruments, including cash and cash equivalents and accrued liabilities are carried at cost, which approximates their fair value, due to the relatively short maturity of these instruments.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. ASC Topic 820 established a three-tier fair value hierarchy which prioritizes the inputs used in measuring fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1measurements) and the lowest priority to unobservable inputs (level 3 measurements). These tiers include:

- Level 1, defined as observable inputs such as quoted prices for identical instruments in active markets;
- Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable such as quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in markets that are not active; and
- Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions, such as valuations derived from valuation techniques in which one or more significant inputs or significant value drivers are unobservable.

Concentrations of Business and Credit Risk
The Company operates in a single industry segment. The Company markets its services to companies and individuals in many industries and geographic locations. The Company's operations are subject to rapid technological advancement and intense competition in the digital advertising and website development industry. The Company typically offers its customers credit terms. The Company makes periodic evaluations of the credit worthiness of its enterprise customers and other than obtaining deposits pursuant to its policies, it generally does not require collateral. In the event of nonpayment, the Company has the ability to terminate services.

Customer Deposits and Deferred Revenue
Prior to beginning a project, it is customary for the Company to collect a deposit from the client. These deposits are recorded in a liability account until work is performed on the project and an invoice is generated. The deposit reduces the amount invoiced to the client, until the entire deposit is extinguished. After the client deposit is extinguished, the Company invoices the client for all additional work, and collects payments based on our accounts receivable policies.

Recent Accounting Pronouncements

Management reviewed accounting pronouncements issued during the periods ended June 30, 2017 and 2016, and no pronouncements were adopted.

Management reviewed the following accounting pronouncement related to a future period:

In May 2014, the FASB issued ASU No. 2014-09, *Revenue from Contracts with Customers* ("ASU 2014-09"). The core principle of ASU 2014-09 is to recognize revenues when promised goods or services are transferred to customers in an amount that reflects the consideration to which an entity expects to be entitled for those goods or services. The standard is effective for annual periods beginning after December 15, 2017, and interim periods therein. The Company follows paragraph 606 of the FASB Accounting Standards Codification for revenue recognition and ASU 2014-09, adopting the pronouncements on January 1, 2018. The company considers revenue realized or realizable and earned when services are performed to such a degree that the performed service is delivered or deliverable to the client, or when a tangible item, such as interior décor or signage, is delivered to the client. Since the Company was already recognizing revenue in a manner consistent with paragraph 606 of the FASB Accounting Standards Codification, there was no material impact on prior year results.

ASU 2014-09 supersedes existing guidance on revenue recognition with a five-step model for recognizing and measuring revenue from contracts with customers. The objective of the new standard is to provide a single, comprehensive revenue recognition model for all contracts with customers to improve comparability within industries, across industries, and across capital markets. The underlying principle is that an entity will recognize revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. The guidance also requires a number of disclosures regarding the nature, amount, timing, and uncertainty of revenue and the related cash flows. The guidance can be applied retrospectively to each prior reporting period presented (full retrospective method) or retrospectively with a cumulative effect adjustment to retained earnings for initial application of the guidance at the date of initial adoption (modified retrospective method). The Company adopted the new standard effective January 1, 2018 using the modified retrospective method applied to those contracts that were not completed or substantially completed as of January 1, 2018. The timing and measurement of revenue recognition under the new standard is not materially different than under the old standard. The adoption of the new standard did not have an impact on the Company's Condensed Consolidated Financial Statements.

In January 2017, the FASB issued 2017-04, *Intangibles - Goodwill and Other* (Topic 350): Simplifying the Test for Goodwill Impairment. The amendments in this ASU simplify the subsequent measurement of goodwill by eliminating Step 2 from the goodwill impairment test and eliminating the requirement for a reporting unit with a zero or negative carrying amount to perform a qualitative assessment. Instead, under this pronouncement, an entity would perform its annual, or interim, goodwill impairment test by comparing the fair value of a reporting unit with its carrying amount and would recognize an impairment change for the amount by which the carrying amount exceeds the reporting unit's fair value; however, the loss recognized is not to exceed the total amount of goodwill allocated to that reporting unit. In addition, income tax effects will be considered, if applicable. This ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. Early adoption is permitted. The Company is currently evaluating the impact of this ASU on its Condensed Consolidated Financial Statements and related disclosures.

In February 2016, the FASB issued ASU No. 2016-02, Leases ("ASU 2016-02"). Under ASU 2016-02, lessees will need to recognize a right-of-use asset and a lease liability for all of their leases, other than those that meet the definition of a short-termlease. For income statement purposes, leases must be classified as either operating or finance. Operating leases will result in straight-line expense, similar to current operatingleases, while finance leases will result in a front-loaded pattern, similar to current capital leases. ASU 2016-02 becomes effective for the fiscal year ended December 31, 2018. We are currently evaluating the impact it will have on our Consolidated Financial Statements.

5. RELATED PARTIES

The Company had no related party transactions.

6. CONCENTRATIONS

For the six months ended June 30, 2017 and 2016, the Company had three and one major clients who represented approximately 25% and 27% of total revenues, respectively.

7. COMMITMENTS AND CONTINGENCIES

Operating Leases
At the time of the acquisition, the Company was not bound by any operating leases.

Legal Matters
The Company may be involved in legal actions and claims arising in the ordinary course of business, from time to time, none of which at the time are considered to be material to the Company's business or financial condition.

8. SUBSEQUENT EVENTS

Management has evaluated subsequent events according to ASC TOPIC 855 as of the date of the financial statements and has determined that no subsequent event is reportable.

EXHIBIT 99.4

CLOUDCOMMERCE, INC.
UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

The following unaudited pro forma condensed combined financial information is based on the historical financial statements of CloudCommerce, Inc. (the "Company") and Parscale Creative, Inc. ("Parscale Creative") after entering into an agreement on August 1, 2017, giving effect to the Company's acquisition of Parscale Creative which was consummated on August 1, 2017. The notes to the unaudited pro forma condensed financial information describes the reclassifications and adjustments to the financial information presented.

The unaudited pro forma condensed combined balance sheet and the statement of operations as of, and for the year ended June 30, 2017, are presented as if the acquisition of Parscale Creative had occurred on July 1, 2016 and were carried forward through the periods presented.

The allocation of the purchase price used in the unaudited pro forma condensed combined financial information is based upon the respective fair values of the assets and liabilities of Parscale Creative as of the date of acquisition.

The unaudited pro forma condensed combined financial information is not intended to represent or be indicative of the Company's consolidated results of operations or financial position that the Company would have reported had the Parscale Creative acquisition been completed as of the dates presented, and should not be taken as a representation of the Company's future consolidated results of operation or financial position.

The unaudited pro forma condensed consolidated financial statements do not give effect to the potential impact of current financial conditions, regulatory matters or any anticipated synergies, operating efficiencies or cost savings that may be associated with the acquisition. The unaudited pro forma condensed consolidated financial data also do not include any integration costs, cost overlap or estimated future transaction costs.

The historical financial information has been adjusted to give effect to events that are directly attributable to the acquisition, factually supportable and, with respect to the statements of operations, expected to have a continuing impact on the results of the combined company. These unaudited pro forma consolidated financial statements should be read in conjunction with the historical financial statements and;

The unaudited pro forma condensed combined financial information should be read in conjunction with the historical consolidated financial statements and accompanying notes of the Company and Parscale Creative included in the annual report on form 10-K for the year ended December 31, 2017 and contained elsewhere in this Form 8-K/A.

CLOUDCOMMERCE, INC.
UNAUDITED PRO FORMA CONDENSED COMBINED BALANCE SHEET
AS OF JUNE 30, 2017

	CloudCommerce, Inc. (audited)	Parscale Creative, Inc. (Unaudited)	Pro Forma Adjustments (Unaudited)		Pro Forma (Unaudited)
ASSETS					
CURRENT ASSETS					
Cash	$ 30,869	$ 200,000	$ —		$ 230,869
Accounts Receivable, net	383,893	—	—		383,893
Prepaid and Other Current Assets	21,287	—	—		21,287
TOTAL CURRENT ASSETS	436,049	200,000	—		636,049
PROPERTY & EQUIPMENT, net	55,743	—	—		55,743
OTHER ASSETS					
Lease Deposit	3,500	—	—		3,500
Internet Domain	20,202	—	—		20,202
Goodwill and other intangible assets, net	1,348,244	—	9,020,000	A	10,368,244
TOTAL OTHER ASSETS	1,371,946	—	9,020,000		10,391,946
TOTAL ASSETS	$ 1,863,738	$ 200,000	$ 9,020,000		$ 11,083,738
LIABILITIES AND SHAREHOLDERS' EQUITY/(DEFICIT)					
CURRENT LIABILITIES					
Accounts Payable	$ 164,135	$ —	$ —		$ 164,135
Accrued Expenses	324,092	—	—		324,092
Deferred Income and customer deposits	632,134	729,341	—	E	1,361,475
Convertible Notes and Interest Payable, current, net	93,686	—	—		93,686
Notes payable	1,271,673	—	—		1,271,673
Deferred tax liability	—	—	1,075,000	D	1,075,000
Line of Credit	205,368	—	—		205,368
TOTAL CURRENT LIABILITIES	2,691,088	729,341	1,075,000		4,495,429
LONG TERM LIABILITIES					
Accrued Expenses, long term	209,903	—	—		209,903
TOTAL LONG TERM LIABILITIES	209,903	—	—		209,903
TOTAL LIABILITIES	2,900,991	729,341	1,075,000		4,705,332
SHAREHOLDERS' EQUITY/(DEFICIT)					
Preferred stock, $0.001 par value;					
5,000,000 Authorized shares:					
Series A Preferred stock; 10,000 authorized, 10,000 issued and outstanding shares;	10	—	—		10
Series B Preferred stock; 25,000 authorized, 18,025 shares issued and outstanding;	18	—	—		18
Series D Preferred stock; 90,000 authorized, 90,000 shares issued and outstanding;	—	—	90	B	90
Common stock, $0.001 par value;					
2,000,000,000 authorized shares;					
130,252,778 shares issued and outstanding	130,252	—	—		130,252
Additional paid in capital	18,969,288	—	7,609,910	B	26,579,198
Accumulated deficit	(20,136,821)	—	(194,341)	C	(20,331,162)
TOTAL SHAREHOLDERS' EQUITY (DEFICIT)	(1,037,253)	—	7,415,659		6,378,406
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIT)	$ 1,863,738	$ 729,341	$ 8,490,659		$ 11,083,738

See notes to unaudited pro forma condensed combined financial information.

CLOUDCOMMERCE, INC.
UNAUDITED PRO FORMA CONDENSED COMBINED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED JUNE 30, 2017

	CloudCommerce, Inc. (audited)	Parscale Creative, Inc. (Unaudited)	Pro Forma Adjustments (Unaudited)	Pro Forma (Unaudited)
REVENUE	$ 2,931,089	$ 5,539,692	$ —	$ 8,470,781
OPERATING EXPENSES				
Salaries and outside services	3,180,675	4,635,987	—	7,816,662
Selling, general and administrative expenses	902,994	1,041,288		1,944,282
Stock option expense	502,000	—	—	502,000
Depreciation and amortization	300,752	—	—	300,752
TOTAL OPERATING EXPENSES	4,886,421	5,677,275	—	10,563,696
INCOME / (LOSS) FROM OPERATIONS BEFORE OTHER INCOME AND TAXES	(1,955,332)	(137,583)	—	(2,092,915)
OTHER INCOME/(EXPENSE)				
Other income	(10,120)	2,934	—	(7,186)
Loss on disposal of fixed assets	21,685	—	—	21,685
Interest expense	(98,337)	(45,572)	—	(143,909)
TOTAL OTHER INCOME (EXPENSE)	(86,772)	(42,638)	—	(129,410)
INCOME / (LOSS) FROM OPERATIONS BEFORE PROVISION FOR TAXES	(2,042,104)	(180,221)	—	(2,222,325)
PROVISION FOR INCOME (TAXES)/BENEFIT	(400)	—	—	(400)
NET INCOME / (LOSS)	$ (2,042,504)	$ (180,221)	$ —	$ (2,222,725)
PREFERRED DIVIDEND	80,000	—		80,000
NET INCOME / (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS	(2,122,504)	(180,221)	—	(2,302,725)
EARNINGS / (LOSS) PER SHARE				
BASIC AND DILUTED	$ (0.02)	$ —	$ —	$ (0.02)
WEIGHTED-AVERAGE COMMON SHARES OUTSTANDING				
BASIC AND DILUTED	130,252,778	—	—	130,252,778

See notes to unaudited pro forma condensed combined financial information.

1. BASIS OF PRO FORMA PRESENTATION

The unaudited pro forma condensed combined balance sheet and the unaudited pro forma condensed statements of operations as of and for the year ended June 30, 2017, are based on the historical financial statements of the Company and Parscale Creative after giving effect to the Company's acquisition that was consummated on August 1, 2017 and adjustments described in the accompanying notes to the unaudited pro forma condensed combined financial information.

The Company accounts for business combinations pursuant to Accounting Standards Codification ASC 805, *Business Combinations.* In accordance with ASC 805, the Company uses it best estimates and assumptions to accurately assign fair value to the assets acquired and the liabilities assumed at the acquisition date. Goodwill as of the acquisition date is measured as the excess of the purchase consideration over the fair value of the assets acquired and the liabilities assumed.

The fair values assigned to Parscale Creative's assets acquired and liabilities assumed are based on management's estimates and assumptions. The estimated fair values of these assets acquired and liabilities assumed are considered preliminary and are based on the information that was available as of the date of acquisition. The Company believes that the information provides a reasonable basis for estimating the fair values of assets acquired and liabilities assumed.

Accounting Periods Presented

For purposes of these unaudited pro forma condensed combined financial information, Parscale Creative's historical financial statements for the year ended June 30, 2017, have been aligned to more closely conform to the Company's financial information, as explained below. Certain pro forma adjustments were made to conform Parscale Creative's accounting policies to the Company's accounting policies as noted below.

The unaudited pro forma condensed combined balance sheet and statement of operations as of and for year ended June 30, 2017, are presented as if the acquisition of Parscale Creative had occurred on July 1, 2016 and were carried forward through each of the period presented.

2. ACQUISITION OF PARSCALE CREATIVE, INC.

On August 1, 2017, the Company acquired 100% of certain assets and liabilities of Parscale Creative in a transaction accounted for under ASC 805, forthe total purchase price of nine million dollars ($7,945,000.00), paid in the form of the issuance of ninety thousand (90,000) shares of the Company's Series D Convertible Preferred Stock, at a liquidation preference of one hundred dollars ($100.00) per share, plus dividend payments based on 5% of the adjusted revenue of Parscale Creative. Adjusted revenue is estimated to be in the range of $850,000 and $1,300,000 over 36 months, if we achieve 0.5% to 3.0% monthly adjusted revenue growth. Parscale Creative is engaged in the business of providing digital advertising, design and website development services. The acquisition is intended to enhance our services for digital advertising solutions. Parscale Creative is now a wholly-owned subsidiary of the Company.

Under the purchase method of accounting, the transactions will be valued for accounting purposes at $7,945,000, which will be the estimated fair value of the Company at date of acquisition. The assets acquired and liabilities assumed of Parscale Creative will be recorded at their respective fair values as of the date of acquisition, and the following table summarizes these values.

	Purchase Price Allocation As of August 1, 2017
Cash	$ 200,000
Customer deposits and accrued expenses	(535,000)
Net tangible liabilities assumed	$ (335,000)
Non-compete agreements	$ 280,000
Brand name	1,930,000
Customer list	2,090,000
Goodwill	4,720,000
Deferred tax liability	(1,075,000)
Total purchase price	$ 7,945,000

3. PRO FORMA ADJUSTMENTS

The following pro forma adjustments are included in the Company's unaudited pro forma condensed combined financial information:

(A) To record the preliminary estimate of goodwill and intangible assets for the Company's acquisition of Parscale Creative. The preliminary estimate of goodwill represents the excess of the purchase consideration over the estimated fair value of the assets acquired and the liabilities assumed.

(B) Record the purchase of 100% of Parscale Creative's members' interest through the issuance of the Series D Preferred stock, valued at $7,945,000

(C) Included in Accumulated Deficit, is the Parscale Creative 12 months net loss of $180,221, and since the amounts for Parscale Creative do not include the entire Balance Sheet of the pre-acquisition company (see the explanation of the abbreviated financial statements), an adjustment was made in the amount of $14,120, in order to balance.

(D) Included in the purchase price is a deferred tax liability valued at $1,075,000.

(E) The amount included in Deferred Income and Customer Deposits of $729,341, differs from the amount included with liabilities assumed ($535,000) due to a timing difference. The purchase price is based on an August 1, 2017 effective date, and these proforma condensed financial statements are based on June 30, 2017.